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C O N F I D E N T I A L BERN 002142

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STATE FOR WHA/CCA AND EUR/AGS

E.O. 12958: DECL: 12/06/2016

TAGS: [ETRD](#) [ETTC](#) [PREL](#) [CU](#) [SZ](#)

SUBJECT: CUBA AND TITLE III OF THE LIBERTAD ACT: SWITZERLAND

REF: A. SECSTATE 191752

[1](#)B. BERN 829

Classified By: Poloff Eric Lundberg, Reasons 1.4 b/d

1.(SBU) Summary: Switzerland serves as the U.S. protecting power in Cuba. Already minimal, the country's level of commercial engagement with Cuba decreased further after November 2006 with the decision by Switzerland's two largest banks, UBS and Credit Swiss, to cease all transactions with the Cuban government and other entities within Cuba. Aid is humanitarian/agricultural in nature. The Swiss are active on the human rights front. A decision not to renew Title II for Switzerland could cause a public backlash and undermine Bern's role as protecting power for the United States. End summary.

Q: Nature of Investments?

A: Switzerland imported about \$25 million in goods from Cuba in 2004, about 99 percent agricultural (especially tobacco). The Swiss in turn exported about \$15 million in goods, including machines, paper, chemical products, instruments, watches, and pharmaceuticals. Swiss direct investment in Cuba is described as minimal (there are no public figures). The two largest Swiss banks, UBS and Credit Swiss, decided in November 2006 to cease transactions with the Cuban government, Cuban companies, and individuals in Cuba. A UBS spokesman cited as grounds the high cost of ensuring that Cuban customers respect and conform to legal and financial regulations.

Total Swiss development and humanitarian assistance for Cuba has been budgeted as Swiss Francs 4.6 million (about \$3.6 million) in 2006. Nearly all of this aid is for medical care, food security, and humanitarian relief.

Q: Bilateral trade agreements?

A: Switzerland and Cuba signed a bilateral trade agreement in 1952, before the revolution. The two countries signed a bilateral investment treaty in 1996.

Q: Exchange programs?

A: Embassy knows of no government-sponsored exchange programs with Cuba.

Q: Advancement of human rights?

A: Swiss embassy officials meet with Cuban dissidents on a regular basis. A four-member mid-level Swiss delegation to the Non-Aligned Movement summit in fall of 2006 included the head of the Swiss DFA human rights office.

Q: High-level visits?

A: Post is unaware of any bilateral cabinet-level or sub-cabinet level visits since the March 2006 visit of Cuban Foreign Minister Perez-Rocque (ref B).

2.(C) Comment: The Swiss Embassy in Havana acts as protecting power for the U.S. Interest Section there. Embassy Bern understands that Swiss Ambassador Bertrand Louis has been very forthcoming in offering assistance to USINT. Post believes that renewing Title II for Switzerland is in the interest of the United States.

URBAN